

STATE GOVERNMENT

SB5/HB124 – Attorney General – Prosecution of Criminal Offenses Reported by the Office of Legislative Audits

SB5/HB124 require the Legislative Auditor to report an alleged criminal violation discovered during the course of an audit, review, or investigation to the Attorney General and the appropriate State's Attorney. The bills grant to the Attorney General the powers and duties of a State's Attorney, including the use of grand juries, to investigate and prosecute the alleged violations. The Attorney General and State's Attorney must keep the auditor's report confidential unless a prosecution is initiated.

SB53 – Planning – Priority Funding Areas – Requests for Exceptions

This bill transfers authority from the defunct State Economic Growth, Resource Protection, and Planning Commission (terminated July 1, 2003) to the Department of Planning to render an advisory opinion to the Board of Public Works concerning requests for exceptions to the Smart Growth Areas Act of 1997. Upon receiving a request for an advisory opinion from the board and on request of a member of the public, the Department of Planning is required to hold a public meeting to gather relevant information before issuing the advisory opinion.

SB56 – State Ethics Law – Architectural and Engineering Services – Restrictions on Participation in Procurement

SB56 includes the design of certain construction projects among the architectural and engineering services that an individual may provide for a project and still be able to submit a bid or proposal for that project. These design services, however, may not involve lead or prime design responsibilities or construction phase responsibilities on behalf of the State. Current law prohibits an individual, or the individual's employer, who assists an executive unit in the drafting of specifications, an invitation for bids, or a request for proposals for a particular procurement from participating in the procurement as a bidder or offeror. There are several exceptions, however, and providing architectural and engineering services for programming, master planning, or other project planning services does not preclude an individual or their employer from submitting a bid or proposals.

SB111 – State Government – Open Meetings Act – Public Body

This bill expands the definition of "public body" under the Open Meetings Act to include a board, commission, or committee appointed by an official who is subject to the policy direction of the Governor or the chief executive authority of a political subdivision. In addition, on the request of the Open Meetings Compliance Board, the bill requires a public body to include with its written response to a complaint filed with the board a copy of (1) the written notice of the meeting; (2) a written statement describing the reason for closing the meeting; and (3) the minutes and any tape recording of the meeting. Public bodies shall retain copies of meeting notices for at least one year after the date of the meeting. The bill also exempts a subcommittee of a public body from the definition of public body, unless the subcommittee is created by the Maryland Constitution; a State statute; a county charter; an ordinance; a rule, resolution, or bylaw; or an executive order of the Governor or the chief executive authority of a political subdivision. Finally, the bill authorizes a public body to tape record all sessions, not just closed sessions, as previously authorized.

SB291/HB691 – State Treasury – Deposits by Units of State Government

These bills repeal the requirement that units of State government deposit all collections, fees, income, and other revenues into the State treasury monthly. Instead, these bills provide that units of State government must deposit these revenues into depositories designated by the Treasurer in accordance with regulations and policies adopted by the Treasurer and the Comptroller.

SB309/HB429 – State Government – Administrative Procedure Act – Proposed Regulations

SB309/HB429 modify the process for adopting emergency and proposed regulations. The bills provide that the Joint Committee on Administrative, Executive, and Legislative Review (AELR) may not approve the emergency adoption of a proposed regulation earlier than 10 days after the committee's receipt of the regulation unless the Governor declares that immediate adoption is necessary to protect the public health or safety. The bills also require the General Assembly's web site to include certain information about emergency regulations received by the committee. In addition, a member of the public may register a request with the Department of Legislative Services to receive information about emergency regulations by U.S. mail or electronic mail. Finally, the bills authorize the committee to exercise any power it has over emergency or proposed regulations over specific, distinct, and severable provisions of an emergency or proposed regulation.

SB381 – State Agencies – Managing for Results

This bill codifies the Managing For Results (MFR) process. The bill continues the current practice for each agency to develop an MFR Agency Strategic Plan that identifies a mission statement, selects goals, and chooses objectives and performance measures to assist in measuring progress toward the goals. The bill also requires the Department of Budget and Management (DBM) to review and update the current MFR State Comprehensive Plan and report to the General Assembly on the plan each year beginning with a first report on or before January 31, 2005. The bill also requires the MFR Steering Committee within DBM to invite participation by three members from the Legislative Branch and to submit a report to the General Assembly on or before July 1, 2006, on the progress made in implementing the MFR process and on its effectiveness.

SB394/HB201 – State Employees – Military Administrative Leave – Sunset Extension

These bills extend the July 1, 2004, termination date to June 30, 2005, for military administrative leave granted to a regular employee of any branch of State government who is on, or called to, active duty on or after July 1, 2003.

SB415/HB3 – Hurricane Isabel Disaster Relief Act

These bills create a program to fill the gap not covered by insurance or other financial resources for homeowners affected by the hurricane who may not qualify for other State programs. The fiscal 2005 budget allocates \$3 million to support the Hurricane Isabel Housing Rehabilitation and Renovation Program, and directs the Department of Housing and Community Development (DHCD) to use \$3.1 million of its other appropriations for this program, for a total of \$6.1 million.

The bills provide low-interest loans for first or subordinate mortgages to rehabilitate or renovate primary residences. The interest rate must be set by DHCD between 0% and 2.5% and the payment of the principal must be deferred until the sale or refinancing of the first lien mortgage or trust of the primary residence. After income eligibility requirements are met, DHCD must give priority to families who have been relocated into temporary housing or have received, or who are eligible to receive, rental assistance from FEMA. While access to a private loan is not grounds for denying a loan under this program, DHCD may require a loan applicant to demonstrate that the applicant has applied for all possible governmental or commercial assistance. Also, DHCD may require local governments to demonstrate a contribution of resources before approving a loan.

The bills also provide a credit enhancement or guarantee for a portion (80 to 115% of the fair market value of the property after rehabilitation, renovation or replacement) of privately obtained loans with similar requirements. The guarantee is intended for families who 1) otherwise meet the qualifications for a private loan; 2) have been relocated into temporary housing by FEMA or has received or qualified for FEMA rental assistance; and 3) whose primary residence has been found to be partially or totally uninhabitable. Homeowners may also apply for financial assistance under a buy-down program that lowers the amount the borrower pays on a loan received from the private market or DHCD. Any of the programs described above can be used for repairing or replacing water and sewer systems, including septic tanks. The extension of financial assistance under the Acts terminates at the end of May 31, 2005.

SB428 – State Government – Designations

This bill adds Lacrosse as the State team sport, and incorporates HB22 in naming the Patuxent River Stone the State gem.

SB433/HB689 – General Obligation Bonds – Payment and Accounting for Principal and Interest

SB433/HB689 clarify that a fiscal agent appointed to pay principal and interest on State debt is required at least once every six months, in addition to accounting for bonds and coupons redeemed, to account for bonds and coupons not redeemed and to return unredeemed principal and interest to the Treasurer. These bills also require the Treasurer to deposit unredeemed principal and interest in an unrepresented bond and coupon fund and dispose of the unredeemed funds as abandoned property.

SB713 – State Finance – State Projects or Programs – Funding

This bill exempts allocated State funds for local Program Open Space (POS) and any unspent funds within the Ocean City Beach Replenishment Fund from the seven-year termination statutory provisions adopted in 2003's HB444. Provisions of SB713 are also incorporated into the State's 2004 Capital Budget.

SB722 – Procurement Law and Process – Auction Bids

SB722 repeals, for a period of three years, the \$1 million floor on reverse auction bids for supplies and also adds authorization to procure services and equipment by auction bidding. Reverse auctions allow the State to request supplies and then have businesses bid on the price at which they would supply those supplies. The auction lasts for a specified time and the lowest bidder receives the contract with the State. Construction contracts and information technology service contracts are specifically excluded from the authorized uses of reverse auction bids. The bill also requires the Department of Legislative Services (DLS) to review and evaluate the impact of repealing the \$1 million floor on State expenditures and administrative efficiency.

SB831 – Procurement – Primary Procurement Unit – Participation Under a Federal Contract

SB831 authorizes primary procurement units to participate in federal contracts with no restriction on the value of the State's participation. Under current law, primary procurement units cannot participate in intergovernmental cooperative purchasing agreements if the State's participation is valued at less than \$250,000.

SB881 – State's Right of Recovery – Grant Programs – Exemption for Lease of Federal Land

This bill prohibits the State, when seeking recovery for grants awarded under the Community Mental Health, Addiction, and Developmental Disabilities Facilities Capital Program, from: (1) recovering funds disbursed from the federal government if the federal government is the lessor of real property on which a project is constructed or a facility is operated; or (2) creating a lien against real property that is leased from the federal government on which a project is constructed or a facility is operated.

HB159 – Property Tax – Exemptions

This bill provides that if real property that is exempt from the property tax is transferred to another person and the use of the property continues to qualify for an exemption, the owner has until September 1 of the following taxable year to apply to the State Department of Assessments and Taxation for an exemption. HB159 also provides that if personal property that is exempt from the property tax is transferred to another person and the use of the property continues to qualify for an exemption, the owner has to apply for an exemption within six months after the first assessment notice.

HB183 – Procurement – Services Rendered in a Foreign Country

This bill authorizes procurement officers to consider whether a contract for services will be rendered by a contractor or subcontractor from a site that is outside the U.S. unless the contract for services is related to a proceeding or event outside the U.S.

HB394 – Procurement – Security for Construction Contracts – Retainage

This bill exempts State units that are currently subject to retainage requirements under Section 13-225 of the State Finance and Procurement Article from also being subject to retainage requirements for State and local subdivisions contained in Title 17 of the Article.

HB811 – Procurement – Percentage Price Preference – Environmentally Preferable Products or Equipment

HB811 requires the Secretary of General Services, the Secretary of Transportation, and the Chancellor of the University System of Maryland to establish a price preference for the purchase of environmentally preferable products and equipment (EPPs). EPPs are products, including supplies, and equipment manufactured and designed for utilization in accordance with a broad range of measures that prevent or minimize environmental degradation, including (1) recycling; (2) resource conservation; (3) source reduction; (4) use of components that are free of toxic or degrading agents or contain the least amount of toxic or degrading agents necessary to meet applicable job specifications recycling; (5) use of innovative technology; (6) use of renewable resources; and (7) waste minimization.

HB820 – Property Tax and Transfer and Recordation Taxes – Land Trusts – Credits and Exemptions

HB820 broadens an existing exemption from recordation and transfer taxes for certain transfers made for conservation or preservation purposes, exempting the transfer of conservation easements and fee simple interests if the transfer is to a land trust and the land is used (1) to preserve a natural area; (2) for environmental education of the public; (3) for agricultural preservation; (4) for conservation; or (5) for maintenance of a natural area for public use or wildlife sanctuary. In addition, the bill expands existing authority for local governments to grant property tax credits for conservation land, to include property used to conserve agricultural land and to promote agricultural use of the land.

HB884 – State Board of Pilots and State Board of Docking Masters

This bill transfers regulatory authority over docking masters from the State Board of Docking Masters to the State Board of Pilots and abolishes the State Board of Docking Masters. As docking masters will be licensed as pilots, HB884 includes provisions to ensure the transition of docking master licensees to pilot licensees and expands the definition of pilotage to encompass operations normally undertaken by docking masters. Initially, all licensees will only be able to provide the services they provided prior to the consolidation. Membership on the State Board of Pilots is altered to replace one of the consumer members with a representative of the ship docking tugboat industry in the Port of Baltimore. In addition to these changes, the bill:

- adds an Incident Committee to the State Board of Pilots with the authority to review complaints submitted to the board and make a recommendation as to the disposition of each complaint;
- expands and makes more stringent the qualifications for pilots-in-training;
- expands the grounds for taking disciplinary action against licensees; and
- prohibits a licensed pilot from taking part in a port-wide job action or strike.

HB1000 – Maryland Cancer Fund – Income Tax Checkoff

This bill establishes a Cancer Research Fund checkoff on the individual income tax return form. After the Comptroller deducts administrative expenses, the contributions are credited to the fund and distributed by the Department of Health and Mental Hygiene through the annual budget process to eligible entities for cancer research.

